

## Message Text

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PAGE 01 STATE 306376  
ORIGIN NEA-10

INFO OCT-01 ISO-00 AID-05 EB-08 IGA-02 COME-00 /026 R

DRAFTED BY NEA/PAB:DBARCHARD:SO  
APPROVED BY NEA/PAB - MAXWELL K. BERRY  
-----005821 240621Z /16

R 231952Z DEC 77  
FM SECSTATE WASHDC  
TO AMEMBASSY DACCA

UNCLAS STATE 306376

E.O. 11652:N/A

TAGS: BDIS, BG

SUBJECT: INTERNATIONAL TANK TERMINALS (ITT) (BANGLADESH)

REF: DACCA 7290

1. DEPARTMENT HAS RECEIVED FOLLOWING TELEX FROM ITT,  
NEW ORLEANS, FOR TRANSMISSION TO EMBASSY:

BEGIN TEXT:

THANKS DEEPLY FOR YOUR TELETYPE IN REGARD TO THE RESOLUTION OF OUR FIRM'S CLAIM FOR THE RECOVERY OF INTERNATIONAL OIL MILLS (IOM). WE WOULD BE DEEPLY INDEBTED TO YOU IF YOU WOULD CONTACT PRESIDENTIAL ADVISOR MINISTRY OF INDUSTRIES, JAMAL UDDIN AHMED, DIRECTLY AND CONVEY TO HIM OUR ACCEPTANCE OF HIS PROPOSAL ALONG THE LINES OUTLINED IN YOUR TELETYPE. WE WOULD FEEL A GREAT DEAL MORE COMFORTABLE IF THE PRESIDENTIAL ADVISOR RECEIVED THE ACCEPTANCE DIRECTLY FROM THE EMBASSY REPRESENTING OUR AMERICAN COMPANY RATHER THAN THROUGH N.M. CHOUDHURY. WE RECOGNIZE THAT THE MINISTRY OF INDUSTRIES DESIRES TO

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DIVEST ITSELF OF BOTH IOM AND ITT AND WE, THEREFORE, ARE AGREEABLE TO PAYING IN FULL THE 250,000 TAKA REPRESENTING THE GOVERNMENT'S INTEREST IN THE TERMINAL AND THE 1.2

MILLION TAKA REPRESENTING 100 PERCENT IN IOM. WE HAVE NO DESIRE TO HAVE ANY LITIGATION AND WE ARE, THEREFORE, ACCEPTING IN FULL THE GOVERNMENT'S FIGURES THAT HAVE BEEN

SUBMITTED. AS AN ALTERNATIVE, IF THE GOVERNMENT DECIDES THAT THEY DO NOT WANT TO DIVEST THEMSELVES OF DIRECT OWNERSHIP AND ARE NOT GOING TO TRANSFER ANY OF THEIR SHARES TO EITHER ANOTHER GOVERNMENT OWNED CORPORATION OR A BANGLADESH PRIVATE INVESTORY (AND WE WOULD OPPOSE SUCH A TRANSFER), WE ARE AGREEABLE TO AGAIN ACCEPTING THE GOVERNMENT'S FIGURES AND PAYING THEM 600,000 TAKA FOR 50 PERCENT OF THEIR STOCK INTEREST IN IOM. THIS IS THE SAME AS IF WE WERE PAYING INTO THE COMPANY 1.2 MILLION TAKA TO MATCH THEIR INVESTMENT SINCE THERE IS NO NEED WHATSOEVER FOR THESE KINDS OF FUNDS TO BE PUT INTO IOM WHICH HAS BEEN OPERATING VERY COMFORTABLY ON THE AMOUNT OF THEIR PRESENT INVESTMENT.

TO SUMMARIZE, WE WILL EITHER BUY OUT THE GOVERNMENT'S SHARE COMPLETELY, WHICH IS OUR FIRST CHOICE, BY PAYING A TOTAL OF 1,450,000 TAKA TO THE GOVERNMENT OR, IN THE ALTERNATIVE, TO PAY THE GOVERNMENT 600,000 TAKA FOR 50 PERCENT INTEREST IN IOM, IT BEING OUR UNDERSTANDING THAT WE WILL HAVE FULL MANAGEMENT RIGHTS FOR BOTH THE TERMINAL AND IOM.

IN THE EVENT THAT OUR PROPOSAL IS ACCEPTED, JAMES J COLEMAN, OUR CHAIRMAN OF THE BOARD, CAN COME TO BANGLADESH DURING THE SECOND WEEK OF JANUARY OR THE FOURTH WEEK OF JANUARY TO COMPLETE ALL DOCUMENTS AND ARRANGE THE IMMEDIATE

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DIATE PAYMENT OF ALL FUNDS IN ACCORDANCE WITH THE AGREEMENT TO PURCHASE THE FACILITIES.

AGAIN, WE WOULD BE INDEBTED TO YOU IF YOU COULD BE SURE THAT THE PROPOSAL HAS BEEN ACCEPTED AND ALL MATTERS CLEARED PRIOR TO ASKING MR COLEMAN TO MAKE THE TRIP. MR. COLEMAN ALSO SENDS HIS BEST REGARDS TO THE EMBASSY AND TO MR. WILCOX FOR A MERRY CHRISTMAS AND A HAPPY NEW YEAR AND ALL OF THE SEASONS GREETINGS.

DAVID PADDISON  
INTERNATIONAL MATEX TANK TERMINALS  
584191 INTL NLN  
END TEXT. VANCE

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NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Original Handling Restrictions:** n/a  
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**Status:** NATIVE  
**Subject:** INTERNATIONAL TANK TERMINALS (ITT) (BANGLADESH)  
**TAGS:** BDIS, BG  
**To:** DACCA  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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